

Transactions Between
BellSouth
fill Telecommunications,
Inc. and BellSouth Long
Distance Inc.

Filings and Positions

# BELLSOUTH TELECOMMUNICATIONS FRAUD MANAGEMENT SERVICES MARKET TRIAL AGREEMENT

This Fraud Services Trial Agreement is entered into by and between BellSouth Long Distance, Inc. (herein referred to as "BSLD"), a Delaware corporation, and BellSouth Telecommunications, Inc. (herein referred to as "BST"), a Georgia corporation, (collectively "the Parties"), this 15 day of October 1997. (Effective date will be the date the agreement is signed by both parties and will be added at that time).

WHEREAS, BSLD desires to obtain Fraud detection, monitoring and investigation services for the purpose of managing BSLD network access; and

WHEREAS, BST is willing to offer Fraud Management services under this Trial Agreement;

NOW, THEREFORE, in consideration of the covenants and undertakings herein contained and the mutual benefits to be derived herefrom, the Parties hereto agree as follows:

# 1. TERM OF AGREEMENT

A. The term of this Trial Agreement shall be from October 15, 1997 to January 15, 1998.

It is understood by BST and BSLD that regulatory action may supersede the terms and conditions of this Agreement.

#### B. Trial Assessment

Due to uncertainties relating to certain technical and operational feasibility and other business factors, this Agreement is being entered into for a trial period only. Both parties will agree to continue discussions to define permanent business requirements at which time these permanent long-range business requirements will be added as an appendix to any permanent agreement. At the end of the trial period, BST will evaluate the technical, operational, and other business considerations pertaining to this trial arrangement, in order to determine at that time whether and to what extent BST is willing to continue in any or all of the arrangements covered under the Trial Agreement. Prior to the termination of this Trial Agreement, BST shall provide BSLD with notice of its intent to continue or decline provisioning Fraud Management Services. Such notice shall be given no later than thirty (30) days prior to the end of this Trial Agreement. BSLD shall likewise notify BST within a thirty (30) day timeframe of its intent to decline BST Fraud Management Services or its desire to enter a

long-term agreement.

### 2. LIMITATION OF LIABILITY

Notwithstanding any other provision of this agreement to the contrary, each Party's liability to the other under this trial agreement will be limited to the actual damages sustained as a result of a Party's breach of contract or negligent, reckless, or willful misconduct. In no event will either Party be liable to the other for any special, incidental, consequential, punitive, or exemplary damages of any kind.

Fraud will be 100 percent recoursed back to BSLD.

#### 3. FRAUD MANAGEMENT SERVICE

# A. Fraud Detection Service

Fraud detection is provided by the Regional Fraud Control Center (RFCC) twenty-four hours a day, seven days a week. BST will provide fraud detection functions based on specifically defined BSLD standards. Investigations will be performed utilizing methods, procedures and standards mutually agreed upon by BST and BSLD. Subscription fraud investigation will be provided by BST utilizing the same methods and procedures as for its other Carrier Customers.

# B. Monitoring and Investigation Activities

# Monitoring of BellSouth Long Distance Proprietary Calling Card Alerts:

Upon receipt of a BSLD fraud alert, BST shall investigate and if applicable, attempt to reach the calling card customer by phone to verify their usage. If BST is unsuccessful in reaching the customer, a voice message shall be left, or a standard letter mailed to the billing address advising the customer of the high usage and requesting the customer to contact BST. Based on response from the BSLD calling card customer, the card may continue to be used. Based on results of the investigation and/or if fraud is suspected, BSLD authorizes BST to deactivate the PIN or change the PIN code using its existing methods and procedures for detection and investigation of card related fraud matters as BST currently uses in managing its own calling card related services.

# C. BSLD Fraud Tracking Reports

These reports will be generated for BSLD based on detailed specifications and requirements provided by BSLD prior to BST's provision of service in this trial. If additional work is required for BST to begin the work to generate a requested report(s), BST may authorize the work at a charge to BSLD.

# 4. SERVICE ENHANCEMENTS

BSLD at any time during the trial may request service enhancements which BST will analyze to determine the feasibility and costs of implementing. If BST determines the change(s) can be made, . BST may authorize implementation of the required changes(s). These requests shall be analyzed and

billed on an Individual Case Basis (ICB) and will be communicated through the BSLD Account Team.

# 5. RATES AND SETTLEMENT

When executed by BSLD, this agreement will serve as authorization for BST to begin implementation activities, subject to forthcoming detailed specifications from BSLD for fraud detection/investigation services. The proxy price for these services shall be as follows:

 One-Time Service Establishment charge -- \$ 153,000.00

This charge shall be billed to BSLD upon initiation of the Market Trial

Investigation Activity -- \$ 18.25

This per investigation charge shall be billed to BSLD on a monthly basis

Activity Reporting -- 85.00\*

This recurring charge shall be billed to BSLD on a monthly basis

One-Time Cheetah Development Charge -- \$ 14,690.00

This charge shall be billed to BSLD as an ICB upon completion of the work

 Monthly maintenance fee for Cheetah reporting \$ 118.75\*

This recurring charge shall be billed to BSLD on a monthly basis

\*These charges shall be combined under the Activity Reporting sub-section via the rate element Monthly Cheetah Reporting.

All charges will be journalized as Interstate. These charges are subject to change per BST's completion of costs analysis; at such time BSLD shall be billed retroactively from the execution date for any shortfall or credited for any overpayment for the rates paid during this Trial Agreement. BSLD and BST will then negotiate whether and to what extent they wish to pursue any permanent arrangement based on the final rates and charges. The final price will be developed by BST based on a comprehensive business analysis and will represent a "fair market value" that will be deemed by BST to be appropriate for federal regulatory accounting rule compliance. Assuming the parties mutually agree to continue the relationship under the final pricing arrangement the parties will alter this Agreement accordingly, and execute a permanent agreement at that time.

IN WITNESS WHEREOF, each of the Parties has made and caused this agreement to be duly executed for it and on its behalf by its authorized representative to be effective the date of the last signature hereto the "Effective Date".

By:	
(Printed Name of Signatory)	<del></del>
(Title)	
BELLSOUTH LONG DISTANCE	E. INC.:
Ву:	
(Printed Name of Signatory)	
(Title)	
AMEN	DMENT NO. 1
The following is Amendment No. Telecommunications Fraud Mana Agreement effective October 12, 1 BellSouth Telecommunications, In Distance, Inc., (BSLD). The Agre follows:	gement Services Market Trial 1997 ("Agreement") between nc., ("BST") and BellSouth Long
1. Section l., Term of Agreement, amended to read:	is stricken in its entirety and is
	I end five full months thereafter. the middle of the month, the five he first day of the following it and BSLD that regulatory
2. In all other respects, this Agree	ment shall remain unchanged and
in full force in effect.	andit man telliam ditelianged and
<ul><li>in full force in effect.</li><li>3. This Amendment shall be effect representatives of both parties.</li></ul>	-
<ul> <li>in full force in effect.</li> <li>3. This Amendment shall be effect representatives of both parties.</li> <li>4. The parties hereto acknowledge Amendment, understand and agree.</li> </ul>	e that they have read this se to be bound by its terms and at the above described Agreements o. 1 constitutes the entire
<ol> <li>in full force in effect.</li> <li>This Amendment shall be effect representatives of both parties.</li> <li>The parties hereto acknowledg Amendment, understand and agreed conditions. They further agree that together with this Amendment Nagreement between the parties here.</li> </ol>	tive when executed by authorized that they have read this see to be bound by its terms and at the above described Agreement o. I constitutes the entire ereto with respect to the subject arties hereto have executed this ized representatives in one or
in full force in effect.  3. This Amendment shall be effer representatives of both parties.  4. The parties hereto acknowledg Amendment, understand and agric conditions. They further agree the together with this Amendment N agreement between the parties he matter hereof.  IN WITNESS WHEREOF, the p Amendment by their duly author more counterparts, each of which the dates set forth below.  BELLSOUTH TELECOMMUNICATIONS, INC.	that they have read this see to be bound by its terms and at the above described Agreement o. I constitutes the entire ereto with respect to the subject arties hereto have executed this ized representatives in one or a shall constitute an original, on BELLSOUTH LONG DISTANCE, INC.
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in full force in effect.  3. This Amendment shall be effer representatives of both parties.  4. The parties hereto acknowledg Amendment, understand and agric conditions. They further agree the together with this Amendment N agreement between the parties he matter hereof.  IN WITNESS WHEREOF, the p Amendment by their duly author more counterparts, each of which the dates set forth below.  BELLSOUTH TELECOMMUNICATIONS, INC.	tive when executed by authorized that they have read this see to be bound by its terms and at the above described Agreemen to a constitute the entire ereto with respect to the subject arties hereto have executed this ized representatives in one or a shall constitute an original, on BELLSOUTH LONG DISTANCE, INC.

# Amendment No. 2

The following is Amendment No. 2 to the BellSouth Telecommunications Fraud Management Services Market Trial Agreement effective October 12, 1997 ("Agreement") between BellSouth Telecommunications, Inc., ("BST") and BellSouth Long Distance, Inc. ("BSLD"). The Agreement is hereby amended as follows:

- 1. Section 1., Term of Agreement, as amended in Amendment No.
- 1, is stricken in its entirety and is amended to read:

"The term of this Trial Agreement shall begin on the commencement date and shall end eight full months thereafter. In the event the trial begins in the middle of the month, the eight month period shall begin the first day of the following month. It is understood by BST and BSLD that regulatory action may supersede the terms and conditions of this Agreement."

- 2. The following new subsection shall be added to Section 3:
  - D. BSLD Equipment

BSLD shall be responsible for providing to BST the hardware and any related software necessary for BST to access BSLD provided data systems required for BST to provide Fraud Management Services hereunder. BSLD will pay for space for BSLD provided hardware located on BST property at rates which comply with rules governing transactions between BST and its affiliates.

- 3. The following language shall be added at the end of rates table in existing Section 5:
  - Floor Space Charge \$90.00 per month

This charge shall be billed on the CABS B07 bill on a monthly recurring basis.

- 4. In all other respects, this Agreement shall remain unchanged and in full force in effect.
- 5. This Amendment shall be effective when executed by authorized representatives of both parties.
- 6. The parties hereto acknowledge that they have read this Amendment, understand and agree to be bound by its terms and conditions. They further agree that the above described Agreement together with, Amendment No. 1 and Amendment No. 2, constitutes the entire agreement between the parties hereto with respect to the subject matter hereof.

IN WITNESS WHEREOF, the parties hereto have executed this Amendment by their duly authorized representatives in one or more counterparts, each of which shall constitute an original, on the dates set forth below.

BELLSOUTH	BELLSOUTH LONG
TELECOMMUNICATIONS, INC.	DISTANCE, INC.
By:	By:
Terri Hudson - Sales VP	Cindy Hilton - Sr. Director Carrie Relations
Date:	Date:

#### Amendment No. 3

The following is Amendment No. 3 to the BellSouth Telecommunications Fraud Management Services Market Trial Agreement effective October 12, 1997 ("Agreement") between BellSouth Telecommunications, Inc., ("BST") and BellSouth Long Distance, Inc. ("BSLD"). The Agreement is hereby amended as follows:

1. Section 1., Term of Agreement, as amended in Amendment No. 2, is stricken in its entirety and is amended to read:

"The term of this Trial Agreement shall begin on the commencement date and shall end ten full months thereafter. In the event the trial begins in the middle of the month, the tenth month period shall begin the first day of the following month. It is understood by BST and BSLD that regulatory action may supersede the terms and conditions of this Agreement."

- 2. In all other respects, this Agreement shall remain unchanged and in full force in effect.
- 3. This Amendment shall be effective when executed by authorized representatives of both parties.
- 4. The parties hereto acknowledge that they have read this Amendment, understand and agree to be bound by its terms and conditions. They further agree that the above described Agreement together with, Amendment No. 3, constitutes the entire agreement between the parties hereto with respect to the subject matter hereof.

IN WITNESS WHEREOF, the parties hereto have executed this Amendment by their duly authorized representatives in one or more counterparts, each of which shall constitute an original, on the dates set forth below.

BELLSOUTH
TELECOMMUNICATIONS, INC.
By:
Terri Hudson - Sales VP

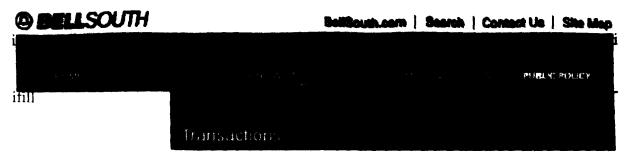
BELLSOUTH LONG DISTANCE, INC.

By:\_

Cindy Hilton - Sr. Director Carrier Relations

Date: 6/24/98 Date: 6/11/98

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Please read our LEGAL AUTHORIZATIONS & NOTICES



Facility Use Agreement

Transactions Between
BellSouth
fill Telecommunications.
Inc. and BellSouth Long
Distance Inc.

Filings and Positions

This Facility Use Agreement (hereinafter "Agreement") is effective as of June 30, 1997, between BELLSOUTH TELECOMMUNICATIONS, INC., a Georgia corporation, (hereinafter "BST") located at 1884 Data Drive, Birmingham, Alabama 35244 Attention: Director - Trans/Switching Product Evaluations and BELLSOUTH LONG DISTANCE, INC. a Delaware corporation (hereinafter "Company") with offices located at 32 Perimeter Center East, Atlanta, Georgia 30346 Attention: Dave Craig.

#### WITNESSETH

WHEREAS, BST and Company now desire to enter an agreement whereby the Company would be contracting for testing services provided out of a facility of BST's located at 1884 Data Drive, Birmingham, Alabama 35244, all on the following terms and conditions.

NOW, THEREFORE, for good and valuable consideration and under the terms and conditions of this Agreement, the parties mutually agree as follows:

#### 1.SCOPE

The facilities, test configurations, test equipment, documentation and testing activities provided by BST staff (hereinafter "Services") provided under this Agreement is defined and described in Appendix A hereto, and shall include only those items specified therein. Services as listed in Appendix A may be modified from time to time as provided for in the section "EXHIBITS" herein.

# 2.TERM OF AGREEMENT

A. The term of this Agreement shall commence on the date the Agreement is executed by Company and shall, except as otherwise provided herein, continue in effect thereafter for two years inclusive.

B. This Agreement however may be terminated at any time by either party, with or without cause, upon at least 30 days prior written notice to the other party.

C.BST, at BST's sole option, may suspend the Services provided under this Agreement at any time if the Services provided under this Agreement are required to facilitate the

identification of or repair of a service problem affecting BST's network

#### 3.SERVICES AND FEES

Services as used herein shall mean those various services and resources furnished by BST and specified in the attached AppendixA. Billable Fees for the Services supplied by BST to Company under this Agreement shall be as listed in AppendixB.

#### 4.CHARGES, DELIVERY AND INVOICING

A.BST shall invoice Company within thirty (30) days of the end of each calendar quarter for the amount due to BST for the Services supplied by BST.

B.Applicable charges for Services provided by BST (herein "Fees") applicable to the Services shall be those listed in AppendixB hereto. Company shall pay BST the Fees specified in AppendixB for the Services provided under the terms of the Agreement.

C.In the event of a suspension of Services as provided under paragraph 2.C. herein, if appropriate, Fees shall be adjusted to allow Company to restart testing from a mutually agreeable test check point. Company will not be charged Fees for Services not usable during Services suspension.

D.In the event of a suspension of Services for three (3) months or termination of this Agreement as provided under paragraph 2.B. herein, if appropriate, Company will be charged a Fees for Services rendered. Fees charged under this paragraph shall not exceed total Fees listed in Appendix B.

E. Upon the completion of the Agreement, BST shall provide to Company pertinent data pertaining to the Services rendered hereunder. Such data shall be the property of Company and Company shall have the right to use and distribute this data as it deems necessary.

F.All invoices shall be payable by Company in U.S. dollars, and shall be due within thirty (30) days of receipt by Company, but in no case to exceed forty-five (45) days from the date of invoice.

# **5.FACILITY RULES**

Company's employees, agents and representatives shall, while on the premises of BST, comply with all BSTs applicable security provisions, rules and regulations. In addition, the Company will not interfere with any of BSTs operations during the term of this Agreement. If a violation of this section is found to have occurred and is deemed material by BST, BST may then immediately cancel this Agreement.

At BST's request, Company shall promptly remove from BST's premises any employee or agent of Company to whom BST does not wish to grant access to its premises, or who, in BST's opinion, has been unacceptable, negligent, dishonest, or otherwise unsatisfactory in performing his/her duties hereunder. Such a request for removal from BST's

premises shall in no way be interpreted as a request by BST for Company to discipline the employee or agent.

#### 6.BSTS/COMPANY INFORMATION

All BST's specifications, property, drawings, sketches. schematics, models, samples, tools, computer or other apparatus programs, technical or business information or data, written, oral, or otherwise (all hereinafter designated "BST's Information") obtained by Company hereunder or in contemplation hereof shall remain BST's property. All copies of such BST's Information in written, graphic, or other tangible form shall be returned to BST upon request. Unless such BST's Information was previously known to Company free of any obligation to keep it confidential, or has been or is subsequently made public by BST, or made public lawfully by a third party, it shall be kept confidential by Company, shall be used only in performing under this Agreement, and may not be used for other customers or purposes except upon such terms as may be agreed upon between BST and Company in writing.

No Company's specifications, drawings, sketches, schematics, models, samples, tools, computer or other apparatus programs, technical or business information or data, written, oral or otherwise (hereinafter "Company's Information"), furnished by Company to BST under this Agreement, or in contemplation of this Agreement, shall be considered by Company to be confidential or proprietary, unless otherwise agreed to by BST and Company in writing.

# 7.COMPLIANCE WITH LAWS

Company shall comply with the provisions of all applicable federal, state, county and local laws, ordinances, regulations, and codes including, but not limited to, Company's obligations as an employer with regard to the health, safety and payment of its employees, and identification and procurement of required permits, certificates, approvals, and inspection in Company's performance of this Agreement. Company shall indemnify BST for, and defend BST against, any loss or damage sustained because of Company's noncompliance with the provisions stated herein.

# **8.ASSIGNMENT**

This Agreement is not assignable by Company without the prior written consent of BST, and any attempt to assign any of the rights, duties or obligations of this Agreement without such consent is void. BST shall have the absolute right, subject to any applicable laws or regulations, to assign this Agreement to BellSouth Corporation or to any direct or indirect subsidiary of BellSouth Corporation upon written notice to Company.

# 9.INSURANCE

Company, at Company's expense, shall maintain during the term of this Agreement, all insurance, including self insurance, and/or bonds required by law or this Agreement, including but not limited to: (1) adequate Worker's Compensation and related insurance as required by BST and prescribed by the law of any state in which the work is to be performed, (2) employer's liability insurance with

limits of at least \$1,000,000 each occurrence, and (3) commercial general liability insurance, including contractual liability, products liability and completed operations coverage, and, if the use of motor vehicles is required, comprehensive motor vehicle liability insurance, each with limits of at least \$1,000,000 for bodily injury, including death, to any one person, and \$1,000,000 on account of any one occurrence and \$1,000,000 for each occurrence of property damage. Company shall, prior to the start of work and upon the renewal of each coverage required herein, furnish certificates of insurance or adequate proof of the foregoing insurance to BST.

Company shall also require its agents or subcontractors, if any, who may enter upon BST's premises to maintain the insurance coverage required herein, and to furnish BST certificates of insurance or adequate proof of such insurance.

All policies required herein shall be maintained with insurance acceptable to BST. BST retains the right to disallow coverage from any insurer that does not maintain a rating from A.M. Best Company of B+ X or higher.

#### 10.INDEMNITY

Company agrees to indemnify and hold BST harmless from any liabilities, causes of action, lawsuits, penalties, claims or demands (including the costs, expenses and reasonable attorneys' fees on account thereof) that may be made: (1) by anyone for injuries of any kind, including but not limited to personal injury, death, property damage and theft, resulting from Company's negligent or willful acts or omissions or those of persons furnished by Company, its agents or subcontractors or resulting from use of Company's material, services or software; or resulting from Company's failure to perform its obligations hereunder; or (2) by any employee or former employee of Company or any of its agents or subcontractors for which the Company's, its agents' or subcontractors' liability to such employee or former employee would otherwise be subject to payments under the state Worker's Compensation or similar laws. Company, at its own expense, agrees to defend BST, at BST's request, against any such liability, cause of action, lawsuit, penalty, claim, or demand. BST agrees to notify Company promptly of any written claims or demands against BST for which Company is responsible hereunder. The foregoing indemnity shall be in addition to any other indemnity obligations of Company set forth in this Agreement.

# 11.LICENSES

Except as otherwise provided in this Agreement, no licenses under any patents, copyrights, trademarks, trade secrets or any other intellectual property, express or implied, are granted by BST to Company or by Company to BST under this Agreement.

### 12.INDEPENDENT CONTRACTOR RELATIONSHIP

In performing their obligations, the parties are acting as independent contractors and not as agents of one another. Neither party shall have the authority to extend, obligate or bind the other party to services or responsibilities other

than those specifically assented to in writing and each shall be solely responsible for the acts of its own employees, representatives and agents. All persons furnished by Company shall be for all purposes solely the Company's employees or agents and shall not be deemed to be employees of BST for any purpose whatsoever. Company shall be solely responsible for compliance with all rules, laws, and regulations relating to employment of labor, hours of labor, working conditions, payment of wages, and payment of taxes, such as employment, social security, and other payroll taxes, including applicable contributions from such person when required by law.

#### 13.DEFAULT/CANCELLATION

In the event either party shall be in breach or default of any of the terms, conditions, or covenants of this Agreement, and such breach or default shall continue for a period of ten (10) days after giving of written notice to the defaulting party by the non-defaulting party, then in addition to all other rights and remedies of law or equity or otherwise, the non-defaulting party shall have the right to cancel this Agreement without any charge, obligation, or liability whatsoever.

# 14.DISCLAIMERS AND LIMITATION OF LIABILITIES

BST'S SOLE OBLIGATION UNDER THIS AGREEMENT IS TO PROVIDE SERVICES AS HEREIN PROVIDED, AND COMPANY HEREIN AGREES THAT THERE ARE NO WARRANTIES NOR REPRESENTATIONS, EXPRESS OR IMPLIED, MADE BY BST HEREIN, AND BST NEITHER ASSUMES NOR AUTHORIZES ANY OTHER OBLIGATION OR LIABILITY. BST SHALL NOT BE LIABLE AND COMPANY WAIVES ALL CLAIMS AGAINST BST FOR LOST PROFITS, LOST SAVINGS OR OTHER SUCH DAMAGES, INCLUDING WITHOUT LIMITATION SPECIAL, PUNITIVE, EXEMPLARY, INDIRECT, INCIDENTAL OR CONSEQUENTIAL DAMAGES ARISING OUT OF OR IN CONNECTION WITH THIS AGREEMENT OR IN CONNECTION WITH BST'S FAILURE TO PERFORM ITS OBLIGATIONS HEREUNDER. BST'S LIABILITY TO COMPANY FOR DAMAGES FROM ANY CAUSE WHATSOEVER, REGARDLESS OF THE FORM OF ACTION, WHETHER IN CONTRACT OR IN TORT, SHALL BE LIMITED TO THE AMOUNT OF MONEY PAID TO BST FROM COMPANY FOR THE SERVICES PROVIDED HEREIN.

BST SHALL NOT BE LIABLE TO COMPANY FOR ANY LOSS, DAMAGE OR INJURY TO PERSONS OR PROPERTY WHILE THE COMPANY IS ON THE PREMISES OF BST UNLESS CAUSED BY THE NEGLIGENCE OR INTENTIONAL ACTS OF BST.

# 15.THIRD PARTY APPROVALS

This Agreement may be subject to the approval, at any time, of the federal courts, the U. S. Department of Justice or state and federal regulatory agencies having jurisdiction over BST or its associated companies. It is understood that BST may seek such approval should it determine that such approval is necessary. It is understood and agreed that the

Agreement may be terminated at any time by an order of any such government authority. It is further understood that this Agreement shall at all times be subject to such changes or modifications that any of the aforementioned authorities may from time to time direct in the exercise of their jurisdiction. If any such modification materially alters either Company's or BST's rights or obligations hereunder, either party may, upon ten (10) days prior written notice, terminate this Agreement.

#### 16.PUBLICITY

Company agrees to submit to BST all advertising, sales promotion, press releases, and other publicity matters relating to this Agreement or mentioning or implying the trade names, logos, trademarks or service marks (hereinafter "Marks") of BellSouth Telecommunications, Inc. and/or any of its affiliated companies or language from which the connection of said Marks therewith may be inferred or implied, or mentioning or implying the names of any personnel of BellSouth Telecommunications, Inc. and/or any of its affiliated companies, and Company further agrees not to publish or use such advertising, sales promotions, press releases, or publicity matters without BST's prior written consent. Company is solely responsible for obtaining the rights to use any marks of a non-party to this Agreement.

#### 17.FORCE MAJEURE

Neither party shall be in default by reason of any failure in performance of this Agreement, in accordance with its terms and conditions, if such failure arises out of causes beyond the control of either party including, but not restricted to, acts of God, acts of government, insurrections, fires, floods, accidents, epidemics, quarantines, restrictions, strikes, freight embargoes, inability to secure raw materials or transportation facilities, acts or omissions of carriers or any and all other causes beyond the control of either party.

#### 18.NOTICES

A. Any payment, statement, notice, request or other communication hereunder shall be deemed to be sufficiently given to BST and any delivery hereunder deemed made when sent by certified mail addressed to BST at its offices specified below or at such changed address as BST shall have specified by written notice to Company.

BellSouth Telecommunications, Inc. c/o Director - T/SPE 1884 Data Drive Birmingham, Alabama 35244

Notices of a legal nature shall be copied to:

BellSouth Telecommunications, Inc.
Suite 4300
675 West Peachtree Street
Atlanta, Georgia 30375
Attn: General Attorney - Contracting

B. Any invoice, statement, notice, request or other communication hereunder shall be deemed to be sufficiently given to Company and any delivery hereunder deemed made when sent by certified mail addressed to

Company at its offices specified in Appendix A hereto or at such changed address as Company shall have specified by written notice to BST.

#### 19.SURVIVAL OF OBLIGATIONS

Any respective obligations of BST and Company hereunder which by their nature would continue beyond the termination, cancellation or expiration of this Agreement, including, by way of example, but not limited to, the obligations provided in the sections "INDEMNITY", "DISCLAIMERS AND LIMITATION OF LIABILITIES", "BST'S/COMPANY INFORMATION", and "PUBLICITY" shall survive such termination, cancellation or expiration.

#### 20.CONFLICT OF INTEREST

Company stipulates that no officer or employee of BST has been employed, retained, induced, or directed by Company to solicit or secure this Agreement with BST upon agreement, offer, understanding, or implication involving any form of remuneration whatsoever. Company agrees, in the event of an allegation of substance (the determination of which will be solely made by BST) that there has been a violation hereof, Company will cooperate in every reasonable manner with BST in establishing whether the allegation is true. Notwithstanding any provisions of this Agreement to the contrary, if a violation of this provision is found to have occurred and is deemed material by BST, BST may then immediately cancel this Agreement.

#### 21.CHOICE OF LAW

The validity, construction, interpretation, and performance of this Agreement shall be governed by and construed in accordance with the domestic laws of the State of Georgia.

#### 22.INCORPORATION BY REFERENCE

Appendices A and B, referred to in this Agreement and attached hereto, are integral parts of this Agreement and are fully incorporated herein by this reference.

# 23.WAIVER

No terms or provisions herein shall be waived and no breach or default excused, unless such waiver or consent is in writing and signed by the party to which it is attributed. No consent by a party to, or waiver of, a breach or default by the other party whether expressed or implied, shall constitute a consent to, or waiver of, any subsequent breach or default.

### 24.BINDING EFFECT

This Agreement shall be binding upon the parties hereto and their respective successors and permitted assigns.

# 25.SEVERABILITY

If any term, provision, covenant or condition of this Agreement is held invalid or unenforceable for any reason, the remainder of the provisions shall continue in full force and effect as if this Agreement had been executed with the

invalid portion thereof eliminated.

# **26.CUMULATIVE REMEDIES**

All remedies provided in this Agreement are cumulative, and election of one shall not be construed as a waiver of any other rights or remedies available under this Agreement, at law, or in equity.

#### 27.CAUSES OF ACTION

No action, regardless of its form, arising out of this Agreement, may be brought by either party more than one (1) year after the cause of action has arisen, or, in the case of an action for nonpayment, more than two (2) years from the date the last payment was due.

# 28.REPRODUCTION OF DOCUMENTATION

Both parties agree to reproduce and include any of the other party's copyright, trademark or proprietary notices, or any like notices, on all copies of the documentation containing such notices, made pursuant to this Agreement.

#### 29.EXHIBITS

It is understood by the parties that additional exhibits may be mutually developed covering the Services provided under this Agreement. Once an exhibit is approved, the parties agree to then initial, date and attach said exhibit to this Agreement.

# **30.INTELLECTUAL PROPERTY RIGHTS**

Company acknowledges that BST's performance of Services specified in Appendix A does not include the disclosure by BST employees of modifications or improvements to Company's products. If BST employees disclose modifications or improvements to Company's products that are later incorporated into Company's products causing the value of such products to increase from the value of such product prior to the improvement or modification thereof, then Company grants to BST an unrestricted, royalty-free license to use such improvements or modifications. Company may not increase the product cost to BST for products incorporating BST employees' suggested modifications or improvements to an amount greater than product cost increases resulting solely from the direct cost increase in producing the product as compared to the product cost without the BST suggested modifications or improvements.

# 31.SECTION HEADINGS

The section heading used herein are for convenience only, and shall not be deemed to constitute integral provisions of this Agreement.

# 32.ENTIRE AGREEMENT

This Agreement contains the full understanding of the parties (superseding all prior correspondence between the parties) and shall constitute the entire agreement between BST and Company and may not be modified or amended other than by a written instrument executed by both parties.

Any preprinted provisions on Company's and BST's forms shall be deemed deleted.

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed in duplicate originals by their duly authorized representatives on the respective dates entered below.

**COMPANY: BST** 

BELLSOUTH LONG DISTANCE, INC.

Name: \_\_\_\_\_(Print or Type)

Title: \_\_\_\_\_

Date: \_\_\_\_\_
BELLSOUTH TELECOMMUNICATIONS, INC.

Name: \_\_\_\_\_(Print or Type)

Title: \_\_\_\_\_

Date: \_\_\_\_\_
Appendix A

Page 1 of 1

**COMPANY CONTACT ADDRESS:** 

COMPANY: BELLSOUTH LONG DISTANCE.

INC.

CONTACT NAME: DAVE CRAIG

TITLE: SENIOR MANAGER

ADDRESS: 32 PERIMETER CENTER EAST

ATLANTA, GEORGIA 30346

PHONE: (770) 352-3042

EQUIPMENT, FACILITIES AND SERVICES: Test Session One: Testing and analysis of Lucent load test data on the Lucent #5ESS DMS/SCP Interface Testing Ongoing Testing: Selected Switches SCP's New SPA's Scheduling and charges for additional testing or retesting will be negotiated as required.

Appendix B

Page 1 of 1

**Fees** 

The Fees for the BST facility and the Services listed in AppendixA for Test Session One is FORTY TWO THOUSAND TWO HUNDRED FIFTY

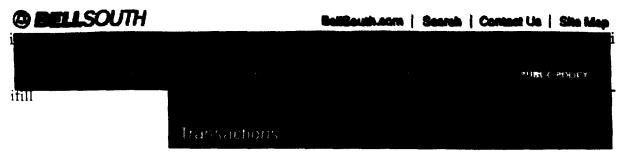
Dollars (\$42,250).

Company shall be invoiced in accordance with paragraph 4 "CHARGES, DELIVERY AND INVOICING" herein.

Fees for re-testing or additional testing if necessary, shall be negotiated as required.

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Please read our LEGAL AUTHORIZATIONS & NOTICES



#### END TO END TEST AGREEMENT

Transactions Between
BellSouth
fill Telecommunications.
Inc. and BellSouth Long
Distance Inc.

Filings and Positions

This Agreement made and entered into this 21 day of November, 1996, by and among BellSouth Telecommunications, Inc., a Georgia corporation (hereinafter "BST"), XXXXXX., a XXXXXXX corporation (hereinafter "XXXXXXX"), and BellSouth Long Distance, Inc., a Georgia corporation (hereinafter "BSLD").

WHEREAS, BST provides interexchange access service pursuant to its various tariffs; and

WHEREAS, XXXXXX, among other services, provides interexchange transport service for resale to end users; and

WHEREAS, BSLD intends to obtain from XXXXXX interexchange transport service for resale to end users under a separate agreement that is not yet effective (the "Master Carrier Agreement").

**NOW, THEREFORE**, in consideration of the mutual covenants, agreements and obligations set forth below, the parties hereby agree as follows:

# I.PURPOSE OF THIS TEST

The purpose of this Test is to enable the parties to this Agreement to test various electronic and manual interfaces and systems which are necessary to the parties' provision of the services which they offer to each other and/or to telecommunications end users.

### ILTEST PERIOD

The Test shall begin on or about November 1, 1996, and shall end on or about July 1, 1997 (the "Test Period"). The Test Period may be extended if mutually agreed to by the parties in writing.

# III.TEST LOCATIONS

Test locations shall be BST tandems in Jacksonville, Florida - Clay Street (JCVLFLCL05T), Norcross, Georgia (NRCRGAMA01T), Atlanta, Georgia - Buckhead (ATLNGABU01T) and Birmingham, Alabama - Homewood (BRHMALHW0GT). Florida end offices to be used in the Test will be JCVLFLLF76E, JCVLFLWCDS0, JCVLFLCLDS0, and MDBGFLPMDS0. Georgia end offices to be used in the test will be DNWDGAMA67A, GRFNGAMA22C, ATLNGACS33A, and JCSNGAMARS1. The Alabama end office to be used in the test will be BRHMALHWDS0.

Additional tandem and end office selections will be determined at a later date upon mutual agreement of the parties.

7/8/98

#### IV. FINANCIAL RESPONSIBILITIES

BST's normal access tariff charges shall apply for the Test. Such charges shall be billed to the party responsible for such charges as described in the Master Carrier Agreement between XXXXXX and BSLD. If any issue arises among the parties to this Agreement concerning whether XXXXXX or BSLD should pay any particular charge(s), BSLD agrees to accept billing and pay the charge(s) to BST and resolve the issue between itself and XXXXXX. XXXXXX's charges for XXXXXXX's [SERVICES]4. Services set forth in the Master Carrier Agreement shall apply for all calls made using the 377 CIC during the Test Period. Such charges shall be billed to BSLD and shall be paid by BSLD. XXXXXX shall reimburse BSLD for all payments made under this Agreement for test calls originating from the numbers on the Approved ANI List prior to the date on which the Master Carrier Agreement between BSLD and XXXXXX becomes effective. Any such reimbursement shall not exceed charges for more than 2500 total calls where no more than 300 calls are international calls having a duration not to exceed 3 minutes. BSLD agrees to pay all charges for calls in excess of these limits. These charges will be calculated using rates contained in the Master Carrier Agreement, if in effect. If not in effect, these charges will be calculated based on rates currently in effect. BSLD shall bear the expense of all necessary CIC changes. If special test lines are established by BST to simulate end users, normal General Subscribers Services Tariff rates shall apply and shall be billed to BSLD. Except as specifically provided in this Article IV, each party shall bear its own expense in order to participate in this Test.

#### **V.BST'S DUTIES**

A.BST shall establish internal procedures to ensure that the only lines that will be presubscribed to CIC 377 during the Test Period are lines associated with the numbers on the Approved ANI List to be provided by BSLD and that calls originating from any number not on the Approved ANI List will not be completed during the Test Period.

B.BST will process ASRs submitted by XXXXXX to establish special trunk groups to carry traffic directed to CIC 377.

C.BST will activate CIC 377 as a valid code in the Equal Access Service Center ("EASC") at the offices set forth in Section III of this Agreement.

D.BST will process PIC change orders to CIC 377 not to exceed 200 lines.

# **VI.XXXXXXX**'S DUTIES

A.XXXXXX will submit ASRs to BST to establish special trunk groups to handle traffic directed to CIC 377.

B.XXXXXX will submit to BSLD call detail records of trial calls in Florida and Georgia in the manner contemplated by the Master Carrier Agreement between XXXXXX and BSLD.

#### VII.BSLD'S DUTIES

A.BSLD shall provide to BST an Approved ANI List consisting of no more than 100 ANIs. This number may be increased upon mutual agreement of the parties.

B.BSLD shall submit PIC change orders to Bst.

C.BSLD shall be responsible for establishing any necessary special test lines and shall be responsible for placing any test calls from such lines established pursuant to this Agreement.

#### VIII.SHARED DUTIES

The parties shall participate in joint planning prior to beginning of the actual test. Such party shall bear its own administrative costs of participating in such planning.

#### IX.CONFIDENTIAL/PROPRIETARY INFORMATION

#### A.Confidential Information

- (1)Information furnished or disclosed by one party or its agent or representative (the "Originating Party) to the other party or its agent or representative (the "Receiving Party") in connection with or in contemplation of this Agreement (including but not limited to proposals, contracts, tariff and contract drafts, specifications, drawings, network designs and design proposals, pricing information, strategic plans, computer programs, software and documentation, and other technical or business information related to current and anticipated XXXXXXX or BSLD products and services), shall be "Confidential Information."
- (2) If such information is in written or other tangible form (including, without limitation, information incorporated in computer software or held in electronic storage media) when disclosed to the Receiving Party, it shall be Confidential Information only if it is identified by clear and conspicuous markings to be confidential and/or proprietary information of the Originating Party; provided, however, that all written or oral proposals exchanged between the parties regarding pricing of the Services shall be Confidential Information, whether or not expressly indicated by markings or statements to be confidential or proprietary.
- (3) If such information is not in writing or other tangible form when disclosed to the Receiving Party, it shall be Confidential Information only if (1) the original disclosure of the information is accompanied by a statement that the information is confidential and/or proprietary, and (2) the Originating Party provides a written description of the information so disclosed, in detail reasonably sufficient to identify such information, to the Receiving Party within thirty (30) days after such original disclosure.
- (4) The terms and conditions of this Agreement shall be deemed Confidential Information as to which each party shall be both an Originating Party and a Receiving Party.
- (5)Confidential Information shall be deemed the property of the Originating Party.
- (6) The following categories of information shall not be Confidential Information:
  - (a)known to the Receiving Party without restriction when received, or thereafter developed independently by the Receiving Party; or
  - (b) obtained from a source other than the Originating Party through no breach of confidence by the Receiving Party; or

- (c)in the public domain when received, or thereafter enters the public domain through no fault of the Receiving Party; or
- (d)disclosed by the Originating Party to a third party without restriction:
- (e) lawfully in the possession of the Receiving Party at the time of receipt from the Originating Party.
- (7) Rights and obligations provided by this Section shall take precedence over specific legends or statements associated with information when received.

# B. Protection of Confidentiality

- A Receiving Party shall hold all Confidential Information in confidence during the Term and for a period of three (3) years following the end of the Term or such other period as the parties may agree. During that period, the Receiving Party:
- (1) shall use such Confidential Information solely in furtherance of the matters contemplated by this Agreement and related to either party's performance of this Agreement;
- (2) shall reproduce such Confidential Information only to the extent necessary for such purposes;
- (3)shall restrict disclosure of such Confidential Information to such of its employees or its affiliate's employees as have a need to know such information for such purposes only.
- (4) shall advise any employees to whom such Confidential Information is disclosed of the obligations assumed in this Agreement:
- (5)shall not disclose any Confidential Information to any third party (not including disclosure to a BellSouth subsidiary) without prior written approval of the Originating Party except as expressly provided in this Agreement; and
- (6)shall take such other reasonable measures as are necessary to prevent the disclosure, unauthorized use or publication of Confidential Information as a prudent business person would take to protect its own similar confidential information, including, at a minimum, the same measures it uses to prevent the disclosure, unauthorized use or publication of its own similar proprietary or confidential information.

#### C. Disclosure to or by Affiliates or Subcontractors

In the absence of a contrary instruction by a party, such party's affiliates and its subcontractors performing work in connection with this Agreement shall be deemed agents of such party for purposes of receipt or disclosure of Confidential Information. Accordingly, any receipt or disclosure of Confidential Information by a party's affiliate, or its subcontractor performing work in connection with this Agreement, shall be deemed a receipt or disclosure by the party.

# D. Return or Destruction of Confidential Information

(1)Upon termination of this Agreement, or at an earlier time if the information is no longer needed for the purposes described in this Section IX, each party shall cease use of Confidential Information

received from the other party and shall use its best efforts to destroy all such Confidential Information, including copies thereof, then in its possession or control. Alternatively, or at the request of the originating party, the Receiving Party shall use its best efforts to return all such Confidential Information and copies to the Originating Party.

(2) Any Confidential Information that is contained in databases and/or mechanized systems in such a manner that it reasonably cannot be isolated for destruction or return, shall continue to be held in confidence subject to the provisions of this Agreement.

(3) The rights and obligations of the parties under this Agreement with respect to any Confidential Information returned to the Originating Party shall survive the return of the Confidential Information.

# E. Restrictions on Certain XXXXXX Employees

Employees, agents, and contractors of XXXXXX whose job responsibilities are primmarily related to provision of services that compete with services offered or expected to be offered by BellSouth Long Distance shall not, in any event, be considered persons with a "need to know" CPNI of CUSTOMER's customers or CUSTOMER Confidential Information.

# F. Disclosure to Consultants

A Receiving Party may disclose Confidential Information to a person or entity (other than a direct competitor of the Originating Party) retained by the Receiving Party to provide advice, consultation, analysis, legal counsel or any other similar services ("Consulting Services") in connection with this Agreement or the Services (such person or entity hereinafter referred to as "Consultant") only with the Originating Party's prior permission (which shall not be unreasonably withheld) and only after the Disclosing Party provides to the Originating Party a copy of a written agreement by such Consultant (in a form reasonably satisfactory to the Originating Party):

(a)to use such Confidential Information only for the purpose of providing Consulting Services to the Receiving Party; and

(b)to be bound by the obligations of a Receiving Party under this Agreement with respect to such Confidential Information.

# G. Required Disclosure

(a) A Receiving Party may disclose Confidential Information if such disclosure is in response to an order or request from a court, the FCC, or other regulatory body; provided, however, that before making such disclosure, the Receiving Party shall first give the Originating Party reasonable notice and opportunity to object to the order or request, and/or to obtain a protective order covering the Confidential Information to be disclosed.

(b) If the Federal Communications Commission ("Commission") or a state regulatory entity with applicable jurisdiction orders either party to file this Agreement with the Commission or such state regulatory entity pursuant to authority granted by law or regulation, the party charged with such filing shall provide notice to the other party as provided in Section X and file the Agreement to the extent required. Each party shall request confidential treatment in connection with such filing.

# H.Injunctive Remedy

In the event of a breach or threatened breach by a Receiving Party or its agent or representative of the terms of this Section IX, the Originating Party shall be entitled to an injunction prohibiting such breach in addition to such other legal and equitable remedies as may be available to it in connection with such breach. Each party acknowledges that the Confidential Information of the other party is valuable and unique and that the use or disclosure of such Confidential Information in breach of this Agreement will result in irreparable injury to the other party.

#### **X.NOTICES**

Notices given pursuant to this Agreement shall be sent by U. S. Mail, first class, postage prepaid, or by facsimile, to the following addresses:

A.BST	
Joe Romano	
Facsimile Number	
B.XXXXXX	
Facsimile Number	
C.BSLD	
Bob Gray	
Facsimile Number	

# XI.PUBLICITY AND PROMOTION

Each party agrees that there will not be any publicity or promotion relating to this Test.

# **XII.LLABILITY**

Neither the parties (nor their respective affiliates) will be liable to each other for any direct, incidental, special or consequential damages, including lost profits, sustained or incurred in connection with the performance or non-performance of this Test, whether in tort, contract, strict liability, or otherwise, and whether or not such damages were foreseen or unforeseen, except for the obligation to pay charges for services provided.

# XIII.TERMINATION

Either party, in its sole discretion, may terminate this Agreement upon ten (10) days written notice to the other parties.

# XIV.MODIFICATION

This Agreement can be changed or modified only by written amendment signed by each of the parties.

# XV.COMPLETE AGREEMENT

This Agreement constitutes the entire agreement between the parties and supersedes any prior understandings.

This Agreement is effective this 21 day of November, 1996.

BELLSOUTH TELECOMMUNICATIONS, INC.

# 

# AMENDMENT NO. 1

This Amendment No. 1 to the End to End Test Agreement dated November 21, 1996, among BellSouth Telecommunications, Inc. (hereinafter "BST"), XXXXXXXXXXX, and BellSouth Long Distance, Inc. (hereinafter "BSLD").

The parties to the above Agreement hereby amend Section V.A. of the said Agreement to read as follows:

"V.BST'S DUTIES

A.BST shall establish internal procedures to ensure that the only lines that will be presubscribed to CIC 377 during the Test Period are lines associated with the numbers on the Approved ANI List to be provided by BSLD and that calls originating from any number, other than 10XXX and similarly dialed calls, not on the Approved ANI List will not be completed during the Test Period. Upon written agreement from BSLD that it will pay for BST's development and implementation of 10XXX-type blocking in its switches, BST will block such calls where technically feasible during the Test Period only."

IN WITNESS WHEREOF, the parties have caused their duly authorized representatives to execute this Amendment No. 1 this 21st day of November 1996.

# AMENDMENT NO. 2

This Amendment No. 2 to the End to End Test Agreement ("Agreement") among BellSouth Telecommunications, Inc. (hereinafter "BST"), XXXXXXX XXX (hereinafter "XXXXXXX"), and BellSouth Long Distance, Inc. (hereinafter "BSLD") is made and entered into this 20th day of December, 1996.

The above parties hereby agree that "Section III. TEST LOCATIONS" of the Agreement is amended by deleting the second paragraph of the said Section III and replacing it with the

# following language:

"Additionally, the following tandem and end offices in Louisiana shall be test locations:

# NWORLAMAOGT DMS200 Tandem

SLIDLAMADS0 SLIDELL HOST SESS **BGLSLAMARS1 BOGALOOSA REMOTE** EXM-LA504-732;MS601-722

**NWORLAMTDS0** 

METAIRIE (JEFFERSON PARISH) 5ESS

LLNGLAHVDS0

LULING HANVILLE DCO HOST

LFTTLAMADS0

JSBNLAMADS0 LAFITTE DCO HOST

JESUIT BEND RNS REMOVE

LCMBLAMADS0

**LACOMBE DMS10 HOST** 

**NWORLAMUD** 

**LKTCLAMARS** 

**IICHOUD DMS10 HOST** 

**AKE CATHERINE RSC REMOTE** 

**HMNDLAMADS**U

ALBYLAMARS1 HAMMOND SESS HOST - N.O. LATA

**ALBANY RSM - BATON ROUGE LATA** 

MRCYLAINDS0

MORGAN CITY INGLEWOOD DMS100

BLDWLAMARS1 N.O. LATA

**BALDWIN RSC-LAFAYETTE LATA- ST** 

**MARY PARISH**"

WHEREFORE the parties have caused their duly authorized representatives to execute this Amendment.

# BELLSOUTH TELECOMMUNICATIONS, INC.

Ву:
By:(signature)
By: (printed name)
(printed name)
Title:
Date:
XXXXXXX
Ву:
By:(signature)
By:(printed name)
(printed name)
Title:
Date:
BELLSOUTH LONG DISTANCE, INC.
Ву:
By: (signature)
By: (printed name)
(printed name)